

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of**  
**the Securities Exchange Act of 1934**

**March 10, 2021**

Date of Report (Date of earliest event reported)

**inTEST Corporation**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation)

**1-36117**

(Commission File Number)

**22-2370659**

(I.R.S. Employer Identification No.)

**804 East Gate Drive, Suite 200, Mt. Laurel, New Jersey 08054**

(Address of Principal Executive Offices, including zip code)

**(856) 505-8800**

(Registrant's Telephone Number, including area code)

**N/A**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written Communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b><u>Title of Each Class</u></b>	<b><u>Trading Symbol</u></b>	<b><u>Name of Each Exchange on Which Registered</u></b>
Common Stock, par value \$0.01 per share	INTT	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On March 10, 2021, the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of inTEST Corporation (the "Company") approved the 2021 Executive Officer Compensation Plan for the Company's President and Chief Executive Officer, Richard N. Grant, Jr., and Secretary, Treasurer and Chief Financial Officer, Hugh T. Regan, Jr.

The components of this plan include (i) base salary, (ii) short term incentive compensation in the form of a performance based bonus and (iii) long term incentive compensation in the form of equity compensation grants. The material terms of the 2021 Executive Officer Compensation Plan, attached as Exhibit 10.1 and incorporated herein by the reference, are summarized as follows:

**Base Salary:** Base salaries for 2021, effective April 1, 2021, are as follows:

Richard N. Grant, Jr.	\$375,000
Hugh T. Regan, Jr.	\$272,950

**Short Term Incentive Compensation:**

The performance bonus payment target percentages to be used in the executive officer's bonus calculation for 2021 are as follows:

Richard N. Grant, Jr.	70%
Hugh T. Regan, Jr.	55%

The amount of the executive officer's bonus may range from zero (if none of the performance metrics are satisfied) to an amount that may exceed the target performance bonus amounts.

*Chief Executive Officer Short Term Incentive Target and Performance Objectives*

The Chief Executive Officer ("CEO") will be eligible to receive a performance bonus payment upon satisfaction of the following weighted performance metrics during 2021:

(i)	Achievement of the Company's Financial Goals – 70%
(ii)	Completion of One or More Acquisitions in 2021 – 15%
(iii)	Achievement of Key Elements of the 5 Year Strategic Plan – 15%

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**Achievement of Financial Goals:** A portion of the CEO's performance bonus may be earned based upon the Company's achievement of net revenue and earnings before income tax amounts as compared to budgeted net revenue and earnings before income tax amounts for 2021. The CEO is eligible to earn the portion of the executive officer's performance bonus based upon the following matrix:

		<b>Revenue v. Target</b>					
		<b>&lt;80%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>
<b>Earnings before income tax v. Target</b>	<b>&lt;80%</b>	0%	0%	0%	0%	0%	0%
	<b>80%</b>	0%	50%	63%	75%	88%	100%
	<b>90%</b>	0%	63%	75%	88%	100%	113%
	<b>100%</b>	0%	75%	88%	100%	113%	125%
	<b>110%</b>	0%	88%	100%	113%	125%	138%
<b>120%</b>	0%	100%	113%	125%	138%	150%	

**Completion of One or More Acquisitions in 2021:** A portion of the CEO's bonus will be earned based upon the Company's consummation of one or more acquisitions of a company or assets of a company in 2021. If a single acquisition, the acquired company or assets must have generated minimum trailing twelve months revenues of \$10 million. If two or more acquisitions, then each of the acquired company or assets must have generated minimum trailing twelve months revenue of between \$5 million and \$10 million. In addition, the transaction(s) must close in 2021 with the transfer of substantially all assets and/or stock of the target company/companies to the Company completed in 2021.

**Achievement of Key Elements of the 5 Year Strategic Plan:** A portion of the CEO's performance bonus will be earned based upon the Company's achievement of key elements of the 5 Year Strategic Plan provided to the Board in early 2021, which relate to the geographic and market expansion and innovation and differentiation components of the strategic plan.

**Chief Financial Officer Short Term Incentive Target and Performance Objectives**

The Chief Financial Officer ("CFO") will be eligible to receive a performance bonus payment upon satisfaction of the following weighted performance metrics during 2021:

(i)	Achievement of the Company's Financial Goals – 60%
(ii)	Completion of One or More Acquisitions in 2021 – 20%
(iii)	Achievement of CFO Specific Objectives – 20%

**Achievement of Financial Goals:** A portion of the CFO's performance bonus may be earned based upon the Company's achievement of net revenue and earnings before income tax amounts as compared to budgeted net revenue and earnings before income tax amounts for 2021. The CFO is eligible to earn the portion of the executive officer's performance bonus based upon the following matrix:

		<b>Revenue v. Target</b>					
		<b>&lt;80%</b>	<b>80%</b>	<b>90%</b>	<b>100%</b>	<b>110%</b>	<b>120%</b>
<b>Earnings before income tax v. Target</b>	<b>&lt;80%</b>	0%	0%	0%	0%	0%	0%
	<b>80%</b>	0%	50%	63%	75%	88%	100%
	<b>90%</b>	0%	63%	75%	88%	100%	113%
	<b>100%</b>	0%	75%	88%	100%	113%	125%
	<b>110%</b>	0%	88%	100%	113%	125%	138%
<b>120%</b>	0%	100%	113%	125%	138%	150%	

**Completion of One or More Acquisitions in 2021:** A portion of the CFO's bonus will be earned based upon the Company's consummation of one or more acquisitions of a company or assets of a company in 2021. If a single acquisition, the acquired company or assets must have generated minimum trailing twelve months revenues of \$10 million. If two or more acquisitions, then each of the acquired company or assets must have generated minimum trailing twelve months revenue of between \$5 million and \$10 million. In addition, the transaction(s) must close in 2021 with the transfer of substantially all assets and/or stock of the target company/companies to the Company completed in 2021.

**Achievement of CFO Specific Objectives:** A portion of the CFO's performance bonus will be earned based upon the CFO's achievement of specific objectives relating to the Company's risk management processes and the creation and execution of an information technology and business automation roadmap.

**Long Term Incentive Compensation:** On March 10, 2021, the executive officers were awarded equity compensation grants consisting of restricted stock and stock options as follows:

	<b>Shares of Restricted Stock</b>	<b>Options to Purchase Shares of Common Stock</b>
Richard N. Grant, Jr.	18,668	112,000
Hugh T. Regan, Jr.	8,800	52,800

The restricted stock awards will vest in equal increments over four years. The stock option awards will vest in equal increments over four years and will have an exercise price of \$10.62 which is the closing price of the Company's common stock as listed on the NYSE American on March 10, 2021. All equity awards are subject to the terms of the Company's Third Amended and Restated 2014 Stock Plan and the Company's standard forms of award agreements, which have been filed with the Securities and Exchange Commission ("SEC").

#### **Item 8.01. Other Events**

On March 10, 2021, the Board approved the grant of restricted stock to the Company's non-employee directors as follows:

	<b>Shares of Restricted Stock</b>
Steven J. Abrams	9,000
Jeffrey A. Beck	9,000
Joseph W. Dews IV	9,000
Gerald J. Maginnis	9,000

The restricted stock awards will vest 25% on each of the following dates: March 31, 2021, June 30, 2021, September 30, 2021, and December 31, 2021, and are subject to the terms of the Company's Third Amended and Restated 2014 Stock Plan and the Company's standard form of Restricted Stock Award Agreement for Directors, which have been previously filed with the SEC.

#### **Item 9.01. Financial Statements and Exhibits**

(d) *Exhibits*

<b>Exhibit No.</b>	<b>Description</b>
10.1	<a href="#">2021 Executive Officer Compensation Plan</a>
10.2	<a href="#">Form of Incentive Stock Option Agreement</a>
10.3	<a href="#">Form of Non-Qualified Stock Option Agreement</a>

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**inTEST CORPORATION**

By: /s/ Hugh T. Regan, Jr.  
Hugh T. Regan, Jr.  
Secretary, Treasurer and Chief Financial Officer

Date: March 16, 2021

## inTEST CORPORATION

## 2021 EXECUTIVE OFFICER COMPENSATION PLAN

The Compensation Committee (the “Committee”) of the Board of Directors of inTEST Corporation (the “Company”) has approved a compensation plan for its executive officers. The components of this plan include (i) base salary, (ii) short term incentive compensation in the form of a performance based bonus and (iii) long term incentive compensation in the form of equity compensation grants. The executive officers who are eligible to participate in this plan are Richard N. Grant, Jr., President and Chief Executive Officer, and Hugh T. Regan, Jr., Secretary, Treasurer and Chief Financial Officer.

**Base Salary**

The base salary of each executive officer for 2021, effective on April 1, 2021, are as follows:

Richard N. Grant, Jr.	\$375,000
Hugh T. Regan, Jr.	\$272,950

**Short Term Incentive Compensation**

The performance bonus payment target percentages to be used in the executive officer’s bonus calculation for 2021 are as follows:

Richard N. Grant, Jr.	70%
Hugh T. Regan, Jr.	55%

The amount of the executive officer’s bonus may range from zero (if none of the performance metrics are satisfied) to an amount that may exceed the target performance bonus amounts.

**Chief Executive Officer Short Term Incentive Target and Performance Objectives**

The Chief Executive Officer (“CEO”) will be eligible to receive a performance bonus payment upon satisfaction of the following weighted performance metrics during 2021:

- Achievement of Financial Goals – 70%
  - Completion of One or More Acquisitions in 2021 – 15%
  - Achievement of Key Elements of the 5 year Strategic Plan – 15%
    - o Geographic & Market Expansion – 7.5%
    - o Innovation & Differentiation – 7.5%
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Achievement of Financial Goals

A portion of the Chief Executive Officer’s performance bonus may be earned based upon the Company’s achievement of net revenue and earnings before income tax amounts as compared to budgeted net revenue and earnings before income tax amounts for 2021. The Chief Executive Officer is eligible to achieve this portion of the executive officer’s performance bonus based upon the following calculation:

The Chief Executive Officer’s performance bonus target percentage multiplied by the executive officer’s base salary; with that amount multiplied by the performance metric weighting factor (70%); with that amount multiplied by the Financial Goals percentage, if any, determined from the matrix below. The Financial Goals percentage is determined by locating on the matrix below the intersection of (i) the column that indicates the percentage calculated by dividing (A) the Company’s actual net revenue for 2021 by (B) its budgeted net revenue for 2021 and (ii) the row that indicates the percentage calculated by dividing (A) the Company’s actual earnings before income tax for 2021 by (B) its budgeted earnings before income tax for 2021.

		Revenue v. Target					
		<80%	80%	90%	100%	110%	120%
Earnings b/ income tax v. Target	<80%	0%	0%	0%	0%	0%	0%
	80%	0%	50%	63%	75%	88%	100%
	90%	0%	63%	75%	88%	100%	113%
	100%	0%	75%	88%	100%	113%	125%
	110%	0%	88%	100%	113%	125%	138%
	120%	0%	100%	113%	125%	138%	150%

With regards to the net revenue calculation, a column milestone is not achieved unless such percentage is exceeded without regards to rounding up the percentage achieved by the calculation. With regards to the earnings before income tax calculation, a row milestone is not achieved unless such percentage is exceeded without regards to rounding up the percentage achieved by the calculation. Any expenses that are treated for accounting purposes as restructuring items or transaction related expenses, contingent consideration adjustments related to any acquisition earnouts and the impact from any completed acquisitions, shall be excluded from the actual amounts when determining the revenue and earnings before income tax amounts for 2021.

### Completion of One or More Acquisitions in 2021

A portion of the Chief Executive Officer's performance bonus will be earned based upon the Company's consummation of one or more acquisitions of a company or assets of a company in 2021. The Chief Executive Officer is eligible to achieve this portion of the executive officer's performance bonus based upon the following calculation:

The Chief Executive Officer's performance bonus target percentage multiplied by the executive officer's base salary; with that amount multiplied by the performance metric weighting factor (15%).

If a single acquisition, the acquired company or assets must have generated minimum trailing twelve months revenues of \$10 million. If two or more acquisitions, then each of the acquired company or assets must have generated minimum trailing twelve months revenues of between \$5 million and \$10 million. In addition, the transaction or transactions must close in 2021 with the transfer of substantially all assets and/or stock of the target company to the Company completed in 2021. Escrow and earn-out of purchase price amounts is permitted to continue beyond 2021 so long as the transaction or transactions is/are closed in 2021.

### Achievement of Key Elements of the 5 Year Strategic Plan

A portion of the Chief Executive Officer's performance bonus will be earned based upon the Company's achievement of key elements of the 5 Year Strategic Plan provided to the Board in early 2021 as follows:

1. Geographic & Market Expansion – The Chief Executive Officer will develop and begin substantive execution of at least one adjacent / new vertical market growth initiative. Milestones shall be identification of the target vertical with Total Available Market >\$100 million, development of a product plan, development of a channel strategy, development of a marketing strategy and deployment of resources to support the initiative. The plan will be presented to the Board no later than July 1, 2021. Success will be determined by the Compensation Committee based on a realistic expectation that the plan will deliver incremental revenue in 2023 on an organic growth basis.
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2. **Innovation & Differentiation** – The Chief Executive Officer will implement an outside of budget growth program where the Business Units can submit actionable growth accelerating ideas for review and selection by the Chief Executive Officer and the Board, with project(s) selected to be funded in 2021 by the amounts so provided for in the Corporate budget. Success will be determined by the Compensation Committee based on a realistic expectation that the project(s) selected and implemented are on track to deliver their stated objectives and on the magnitude of incremental revenue and/or operating income realistically expected to be achieved by the end of 2022. The program timeline will be:

- i. Launch the program in Q1
- ii. Select the winning submission(s) by the end of Q1
- iii. Kickoff the selected program(s) in the Business Unit(s) in early Q2
- iv. Track progress closely at the Corporate level (monthly) throughout the remainder of the year to ensure program(s) are being driven on time, on budget and on quality
- v. Report progress and results to the Board on a quarterly basis

The Chief Executive Officer is eligible to achieve this portion of the executive officer’s performance bonus based upon the following calculation:

The Chief Executive Officer’s performance bonus target percentage multiplied by the executive officer’s base salary; with that amount multiplied by the performance metric weighting factor (15%). With regards to the achievement of the key elements of the 5 year Strategic Plan included in the CEO’s 2021 goals, Geographic & Market Expansion and Innovation & Differentiation shall both be weighted at 7.5%.

**Chief Financial Officer Short Term Incentive Target and Performance Objectives**

The Chief Financial Officer (“CFO”) will be eligible to receive a performance bonus payment upon satisfaction of the following weighted performance metrics during 2021:

Achievement of Financial Goals – 60%

Completion of One or More Acquisitions in 2021 – 20%

Achievement of CFO Specific Objectives – 20%

- o Implementation of a Robust Risk Management Program – 10%
- o Creation and Execution of an IT & Business Automation Roadmap – 10%

**Achievement of Financial Goals**

A portion of the Chief Financial Officer’s performance bonus may be earned based upon the Company’s achievement of net revenue and earnings before income tax amounts as compared to budgeted net revenue and earnings before income tax amounts for 2021. The Chief Financial Officer is eligible to achieve this portion of the executive officer’s performance bonus based upon the following calculation:

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The Chief Financial Officer’s performance bonus target percentage multiplied by the executive officer’s base salary; with that amount multiplied by the performance metric weighting factor (60%); with that amount multiplied by the Financial Goals percentage, if any, determined from the matrix below. The Financial Goals percentage is determined by locating on the matrix below the intersection of (i) the column that indicates the percentage calculated by dividing (A) the Company’s actual net revenue for 2021 by (B) its budgeted net revenue for 2021 and (ii) the row that indicates the percentage calculated by dividing (A) the Company’s actual earnings before income tax for 2021 by (B) its budgeted earnings before income tax for 2021.

		Revenue v. Target					
		<80%	80%	90%	100%	110%	120%
Earnings b/ income tax v. Target	<80%	0%	0%	0%	0%	0%	0%
	80%	0%	50%	63%	75%	88%	100%
	90%	0%	63%	75%	88%	100%	113%
	100%	0%	75%	88%	100%	113%	125%
	110%	0%	88%	100%	113%	125%	138%
	120%	0%	100%	113%	125%	138%	150%

With regards to the net revenue calculation, a column milestone is not achieved unless such percentage is exceeded without regards to rounding up the percentage achieved by the calculation. With regards to the earnings before income tax calculation, a row milestone is not achieved unless such percentage is exceeded without regards to rounding up the percentage achieved by the calculation. Any expenses that are treated for accounting purposes as restructuring items or transaction related expenses, contingent consideration adjustments related to any acquisition earnouts and the impact from any completed acquisitions, shall be excluded from the actual amounts when determining the revenue and earnings before income tax amounts for 2021.

Completion of One or More Acquisitions in 2021

A portion of the Chief Financial Officer’s performance bonus will be earned based upon the Company’s consummation of one or more acquisitions of a company or assets of a company in 2021. The Chief Financial Officer is eligible to achieve this portion of the executive officer’s performance bonus based upon the following calculation:

The Chief Financial Officer’s performance bonus target percentage multiplied by the executive officer’s base salary; with that amount multiplied by the performance metric weighting factor (20%).

If a single acquisition, the acquired company or assets must have generated minimum trailing twelve months revenues of \$10 million. If two or more acquisitions, then each of the acquired company or assets must have generated minimum trailing twelve months revenues of between \$5 million and \$10 million. In addition, the transaction or transactions must close in 2021 with the transfer of substantially all assets and/or stock of the target company or companies to the Company completed in 2021. Escrow and earn-out of purchase price amounts is permitted to continue beyond 2021 so long as the transaction or transactions is/are closed in 2021.

#### Achievement of CFO Specific Objectives

A portion of the Chief Financial Officer's performance bonus will be earned based upon the achievement of CFO specific objectives as follows:

1. Implementation of a Robust Risk Management Program - The Audit Committee of the Board has requested the CFO lead an initiative designed to have the Company execute a more robust and proactive approach to Risk Management. At each (2<sup>nd</sup>) quarterly Audit Committee meeting, a specific topic or process area will be reviewed with the Audit Committee. It will be the responsibility of the CFO to lead a detailed discussion of the specific area with a focus on how business risks are identified, evaluated (as to likelihood of occurrence and severity if they do occur), mitigated, monitored and managed. In preparation for these meetings, the CFO and his designees will take a fresh look at the topic or process with a view towards also identifying opportunities to drive process enhancements, potentially make better use of the technology and data related to the process, and if applicable, identify cost savings opportunities. A formal presentation will be prepared by the CFO outlining findings and recommendations for presentation at each (2<sup>nd</sup>) quarterly Audit Committee meeting.

The four topic/process areas to be addressed in 2021 are:

- Q-1: Taxes (including income, excise, franchise, sales and use and other taxes incurred by the Company globally)
  - Q-2: Supply Chain
  - Q-3: Cybersecurity
  - Q-4: Compliance with Laws and Regulations
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Measurement of Achievement of Objective: After each quarter, the Audit Committee will evaluate the quality, depth and substance of the presentation and related discussion on the risk area. Up to 20% of the 10% bonus target may be earned each quarter based on the results of that evaluation (up to 80% in the aggregate), such earned percentage to be reported by the Audit Committee chair to the CFO and recommended to the Compensation Committee for approval after each such quarterly meeting. The remaining 20% may be earned based on the quality of the collective process improvement, cost reduction or better use of data/technology recommendations implemented by the CFO and his team in 2021, to be determined by the Audit Committee and recommended to the Compensation Committee for approval.

2. Creation and Execution of an IT & Business Automation Roadmap - The Board has requested that the CFO review the Company's current IT and business process structures to determine how to improve the efficacy, efficiency and reliability of these structures as well as to identify opportunities to eliminate waste. Upon completion of this review, the CFO will develop a roadmap that prioritizes the opportunities based upon impact to the business, cost and speed/ease of implementation. The expectation is that the roadmap would be created and presented to the Board for approval as soon as practical but no later than the date of the Company's annual meeting in June 2021, with a recommendation on the top priority project(s) that will be started for execution during the balance of 2021. The CFO will be responsible for project(s) oversight to ensure execution is completed on time and on budget. At the end of 2021, the Compensation Committee will assess the quality and completeness of the roadmap as it determines the assessment of this CFO specific objective.

Measurement of Achievement of Objective: The Compensation Committee will evaluate the quality, depth and substance of the IT & Business Automation Roadmap and related discussion. Up to 50% of the 10% bonus target may be earned by completion and approval of a robust IT and Business Automation Roadmap as determined by the Compensation Committee at its sole discretion. The remaining 50% may be earned based on the successful and high-quality completion of the top priority project(s) on time and on budget, the process improvement derived, the cost reduction generated, the efficiency/productivity gained or the better use of data/technology obtained as a result of the IT and Business Automation Roadmap implementation, to be determined by the Compensation Committee at its sole discretion.

#### General

The Compensation Committee shall calculate and determine achievement of all components of the short term incentive compensation. In the case of financial achievements, the determination shall be based on amounts derived from the Company's audited financial statements. The Compensation Committee reserves the right to make subjective determinations and interpretations regarding the impact of unusual circumstances or events on achievement of each performance metric component by the executive officers. All such determinations will apply to all executive officers in the same manner. The Compensation Committee shall have final decision making authority regarding all issues related to the short term incentive compensation component of the Plan. The Compensation Committee shall finalize the amount of and authorize payment of the bonuses to the executive officers as part of the approval process for the Company's 2021 audited financial statements. If an executive officer leaves the Company other than for death, disability, or retirement, they will receive no bonus if they are not employed on December 31, 2021. For executive officers who retire (age plus years of service equal to at least 70), or who die or become disabled, they will be entitled to a pro-rated bonus calculated by multiplying the bonus calculated above by the result obtained by dividing the number of completed months the executive officer is employed in 2021 by twelve. Any bonus payment shall be made on or before March 15, 2022. The Compensation Committee shall have such authority to demand the repayment or "claw back" of any amounts paid pursuant to this Plan as needed to comply with all applicable laws and regulations.

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### Long Term Incentive Compensation

The executive officers shall be entitled to receive equity compensation grants consisting of restricted stock and stock options under the inTEST Corporation Third Amended and Restated 2014 Stock Plan as follows:

	<u>Shares of Restricted Stock</u>	<u>Options to Purchase Shares of Common Stock</u>
Richard N. Grant, Jr.	18,668	112,000
Hugh T. Regan, Jr.	8,800	52,800

All equity compensation shall be awarded to the executive officers as soon as possible in 2021. The Company will grant restricted stock pursuant to award agreements in the form attached as Exhibit "A" hereto. All restricted stock awards will vest in equal increments over four years. At the Compensation Committee's discretion, with the advice of the Company's professional advisors, the Company will grant either non-qualified stock options or incentive stock options pursuant to stock option award agreements in the forms attached as Exhibits "B" and "C" hereto. All stock option awards will vest in equal increments over four years and will have an exercise price that is no less than the closing price of the Company's common stock as listed on the NYSE American on the date of the award.

**[Exhibits A, B and C are omitted here. The Company's standard form of Restricted Stock Agreement for Employees was previously filed with the Company's Form 10-Q for the quarter ended September 30, 2020 and the Company's standard forms of Incentive Stock Option Agreement and Non-Qualified Stock Option Agreement are filed with the Company's Form 8-K filed on March 16, 2021.]**

**inTEST Corporation****Incentive Stock Option Agreement**

inTEST Corporation, a Delaware corporation (“inTEST” or the “Company”), hereby grants to \_\_\_\_\_ (the “Optionee”) an option to purchase a total of \_\_\_\_\_ (\_\_\_\_\_) shares of the Common Stock (the “Option Shares”) of inTEST, at the price and on the terms and conditions set forth herein and in all respects subject to the terms, conditions and provisions of the inTEST Corporation Third Amended and Restated 2014 Stock Plan (the “Plan”) applicable to incentive options, which terms, conditions and provisions are hereby incorporated herein by reference. Unless the context herein otherwise requires, the capitalized terms not defined herein shall have the meaning provided in the Plan.

**1. Nature of Option**

This Option is intended to be an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the “Code”).

**2. Term of Option**

This Option is granted as of \_\_\_\_\_ (the “Date of Grant”) and it may not be exercised later than the close of business on \_\_\_\_\_ (the “Expiration Date”); however, this Option is subject to earlier termination as set forth in this Option Agreement and in the Plan.

**3. Option Exercise Price**

The Option exercise price (“Option Price”) is \_\_\_\_\_ (\$\_\_\_\_\_) per Option Share.

**4. Exercise of Option**

This Option is exercisable during its term only in accordance with the terms, conditions and provisions of the Plan and this Option Agreement as follows:

- (i) Right to Exercise. This Option shall vest \_\_\_\_\_. The Optionee must be in the employ of inTEST or any of its Affiliates on such anniversary date in order for the Option to vest. This Option may be exercised, in whole or in part, up to the amount vested through the date of exercise to the extent not earlier exercised and otherwise in accordance with the terms, conditions and provisions of the Plan and this Option Agreement.
  - (ii) Method of Exercise. When exercisable, this Option shall be exercised only upon receipt by inTEST, in form and substance acceptable to inTEST, of (A) written notice of such exercise and (B) payment in full of the Option Price for the Option Shares to be purchased and any additional amount described in Section 13 below. Each such notice shall (A) specify the number of Option Shares to be purchased; (B) satisfy the securities law requirements set forth in the Plan; and (C) contain a statement by the Optionee acknowledging that the Option will not be treated as an incentive stock option for federal income tax purposes if the Option Shares are sold or otherwise disposed of within one (1) year of exercise or two (2) years from the Date of Grant.
  - (iii) Restrictions on Exercise. This Option may not be exercised if the issuance of the option Shares upon such exercise would constitute a violation of any applicable federal or state securities laws or regulations or other laws or regulations. As a condition to the exercise of this Option, inTEST may require the Optionee to make any representations and warranties to inTEST as inTEST deems necessary or appropriate under any applicable law or regulation.
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(iv) *Acceleration of Option Vesting.* This Option shall immediately vest and be exercisable in the event: (A) the Optionee dies; (B) the Optionee incurs a Disability; or (C) a Change of Control occurs; and (1) the Unrelated Person involved in such Change of Control does not assume or substitute Awards granted under the Plan; (2) the Optionee's employment is terminated by the Unrelated Person within two years following the Change of Control other than for Cause; or (3) the Optionee resigns for Good Reason following a Change of Control. For purposes of this Option Agreement, the term "Disability" shall mean a condition of total mental or physical incapacity for further performance of a person's duty with the Company that the Committee determines, on the basis of competent medical evidence, is likely to be permanent and constitutes a "disability" within the meaning of section 22(e)(3) of the Internal Revenue Code.

**5. Payment for Option Shares**

The Optionee shall pay for the shares (i) in cash, (ii) by bank check payable to the order of inTEST or (iii) by such other mode of payment as inTEST may approve.

**6. Transfer of Option Shares**

Option Shares may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner without compliance with all applicable federal and state securities laws and regulations, and an appropriate legend referring to any restrictions on transfer and any other restrictions imposed herein or under the Plan may be endorsed on the certificates representing Option Shares.

**7. Disqualifying Disposition**

The Optionee shall notify inTEST if any Option Shares received upon exercise of this Option are sold, assigned, gifted, transferred or disposed of in any manner within one (1) year of exercise or two (2) years from the Date of Grant (a "Disqualifying Disposition"). In the event of a Disqualifying Disposition, the Optionee shall, upon request of inTEST, provide inTEST with the amount of any federal, state or local taxes that inTEST is required to withhold with respect to such Disqualifying Disposition. If inTEST does not withhold income taxes from the Optionee with respect to a Disqualifying Disposition, the Optionee shall timely pay all income taxes resulting from such Disqualifying Disposition, shall provide inTEST with such information as requested by inTEST to substantiate the payment of such taxes, and shall indemnify inTEST against penalties or other damages imposed upon inTEST for failure to withhold taxes, to the extent such penalties or damages could have been reduced or offset had the Optionee paid his or her income taxes attributable to the Disqualifying Disposition or are otherwise attributable to the Optionee's failure to pay his or her taxes.

**8. Transfer of Option**

This Option may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent or distribution, and may be exercised during the lifetime of the Optionee only by the Optionee. Subject to the foregoing, the terms of the Plan and the terms of this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

**9. Termination of Options**

This Option shall expire as set forth above and may not be exercised later than the Expiration Date. Notwithstanding the foregoing, this Option may not be exercised after the first to occur of the following:

- (i) five years from the Date of Grant, if on such date the Optionee owns directly or by attribution under the Code, shares possessing more than ten percent (10%) of the total combined voting power of all classes of stock of inTEST;
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- (ii) the date set by the Board of Directors of inTEST (the “Board of Directors”) to be an accelerated expiration date after a finding by the Board of Directors that a change in the financial accounting treatment for options from that in effect on the date the Plan was adopted materially adversely affects inTEST or, in the determination of the Board of Directors, may materially adversely affect inTEST in the foreseeable future, provided the Board of Directors may take whatever action, including acceleration of any exercise provisions, it deems necessary should it make the determination referred to above;
- (iii) expiration of 60 days from the date the Optionee's employment or service with inTEST (or any of its Affiliates) terminates for any reason other than if the Optionee has been discharged from employment with inTEST for Cause, in which case, this Option shall expire immediately; or
- (iv) in the event of a Change of Control, the Expiration Date of any Option which has vested may be accelerated to a date not earlier than thirty (30) days after notice of such acceleration is given to the Optionee, and any Option which has not vested may be terminated.

**10. Amendment of Option**

inTEST has the right to amend this Option, subject to the Optionee's consent if such amendment is not favorable to the Optionee, except that the consent of the Optionee shall not be required for any amendment made pursuant to the Plan.

**11. Amendment of the Plan**

Subject to certain restrictions contained in the Plan, the Board of Directors of inTEST may amend the Plan from time to time in such manner as it may deem advisable.

**12. Continued Employment**

The grant of this Option shall not be construed to imply or constitute evidence of any agreement, express or implied, on the part of inTEST to continue the employment of the Optionee with inTEST or any of its Affiliates.

**13. Withholding of Taxes**

If required by inTEST, the Optionee shall, as a condition to the exercise of the Option and the issuance of Option Shares or the transfer of the Option Shares, remit to inTEST the amount of any federal, state or local taxes, including FICA taxes and other employment taxes, required to be withheld or paid under applicable law. To the extent that such taxes are not collected upon the exercise of the Option, inTEST may withhold a portion of the Option Shares or take whatever other action it deems necessary to collect all required taxes due upon the exercise of the Option or transfer of the Option Shares.

**14. Entire Agreement**

This Option Agreement, together with the Plan, represents the entire agreement between the parties.

**15. Governing Law**

This Option Agreement shall be construed in accordance with the laws of the State of Delaware.

**[Signature Page Follows]**

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IN WITNESS WHEREOF, inTEST executes this Option Agreement as of the day and year set forth above.

**inTEST Corporation**

By: \_\_\_\_\_

Hugh T. Regan, Jr.  
Secretary, Treasurer and Chief Financial Officer

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**ACKNOWLEDGMENT**

The Optionee acknowledges receipt of a copy of the Plan and a copy of the Prospectus covering the Option Shares to be issued pursuant to the Plan, copies of which are attached hereto, and Optionee represents that he or she has read and is familiar with the terms, conditions and provisions thereof and hereby accepts the Option granted \_\_\_\_\_ subject to all the terms, conditions and provisions thereof. The Optionee hereby agrees to accept as binding, conclusive and final, all decisions or interpretations of the Board of Directors or the Committee upon any questions arising under the Plan.

Date: \_\_\_\_\_

\_\_\_\_\_

Name:

Address:

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**NOTICE OF EXERCISE OF STOCK OPTION**

To: inTEST Corporation  
804 East Gate Drive, Suite 200  
Mt. Laurel, NJ 08054  
Attn: Chief Financial Officer

\_\_\_\_\_, 20\_\_

In accordance with Section 4 of the Incentive Stock Option Agreement granted as of \_\_\_\_\_ (the "Option"), I hereby irrevocably elect to exercise the Option to purchase \_\_\_\_\_ Option Shares of the Common Stock of inTEST Corporation (the "Corporation") at the exercise price of \_\_\_\_\_ (\$\_\_\_\_\_) per Option Share and deliver herewith a bank check payable to the order of the Corporation for the aggregate exercise price of \$\_\_\_\_\_.

I agree to notify the Chief Financial Officer of the Corporation at the address set forth above, or at such other address as the Corporation may designate in the future, in the event I sell, assign, gift, transfer or otherwise dispose of any of the Option Shares within one (1) year of exercise or two (2) years from the Date of Grant (a "Disqualifying Disposition").

I understand that any Disqualifying Disposition of the Option Shares will result in the Option not qualifying as an incentive stock option with respect to such Option Shares. If requested by the Corporation, I will provide the Corporation the amount of any taxes the Corporation is required to withhold as a result of a Disqualifying Disposition of Option Shares.

Signature\*: \_\_\_\_\_

Name\*:

Address:

Phone:

\* The signature and name should correspond exactly with the name on the first page of the Option.

**inTEST Corporation**  

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**Non-Qualified Stock Option Agreement**  

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inTEST Corporation, a Delaware corporation (“inTEST” or the “Company”), hereby grants to \_\_\_\_\_ (the “Optionee”) an option to purchase a total of \_\_\_\_\_ (\_\_\_\_\_) shares of the Common Stock (the “Option Shares”) of inTEST, at the price and on the terms and conditions set forth herein and in all respects subject to the terms, conditions and provisions of the inTEST Corporation Third Amended and Restated 2014 Stock Plan applicable to options granted pursuant to the Non-Qualified Plan (the “Plan”), which terms, conditions and provisions are hereby incorporated herein by reference. Unless the context herein otherwise requires, capitalized terms not defined herein shall have the meaning provided in the Plan.

**1. Term of Option**

This Option is granted as of \_\_\_\_\_ (the “Date of Grant”) and it may not be exercised later than the close of business on \_\_\_\_\_ (the “Expiration Date”); however, this Option is subject to earlier termination as set forth in this Option Agreement and in the Plan.

**2. Option Exercise Price**

The Option exercise price (“Option Price”) is \_\_\_\_\_ (\$\_\_\_\_) per Option Share.

**3. Exercise of Option**

This Option is exercisable during its term only in accordance with the terms, conditions and provisions of the Plan and this Option Agreement as follows:

- (i) ***Right to Exercise.*** This Option shall vest \_\_\_\_\_. The Optionee must be in the service of inTEST or any of its Affiliates on the date of such vesting in order for the Option to vest. This Option may be exercised, in whole or in part, up to the amount vested through the date of exercise to the extent not earlier exercised and otherwise in accordance with the terms, conditions and provisions of the Plan and this Option Agreement.
  - (ii) ***Method of Exercise.*** When exercisable, this Option shall be exercised only upon receipt by inTEST, in form and substance acceptable to inTEST, of (A) written notice of such exercise and (B) payment in full of the Option Price for the Option Shares to be purchased. Each such notice shall (A) specify the number of Option Shares to be purchased, and (B) satisfy the securities law requirements set forth in the Plan.
  - (iii) ***Restrictions on Exercise.*** This Option may not be exercised if the issuance of the Option Shares upon such exercise would constitute a violation of any applicable federal or state securities laws or regulations or other laws or regulations. As a condition to the exercise of this Option, inTEST may require the Optionee to make any representations and warranties to inTEST as inTEST deems necessary or appropriate under any applicable law or regulation.
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**4. Payment for Option Shares**

The Optionee shall pay for the shares (i) in cash; (ii) by bank check payable to the order of inTEST; or (iii) by such other mode of payment as inTEST may approve.

**5. Transfer of Option Shares**

Option Shares may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner without compliance with all applicable federal and state securities laws and regulations, and an appropriate legend referring to any restrictions on transfer and any other restrictions imposed herein or under the Plan may be endorsed on the certificates representing Option Shares.

**6. Transfer of Option**

This Option may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent or distribution, and may be exercised during the lifetime of the Optionee only by the Optionee. Subject to the foregoing, the terms of the Plan and the terms of this Option Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

**7. Termination of Options**

This Option shall expire as set forth above and may not be exercised later than the Expiration Date. Notwithstanding the foregoing, this Option may not be exercised after the first to occur of the following:

- (i) the date set by the Board of Directors of inTEST (the "Board of Directors") to be an accelerated expiration date after a finding by the Board of Directors that a change in the financial accounting treatment for options from that in effect on the date the Plan was adopted materially adversely affects inTEST or, in the determination of the Board of Directors, may materially adversely affect inTEST in the foreseeable future, provided the Board of Directors may take whatever action, including acceleration of any exercise provisions, it deems necessary should it make the determination referred to above;
  - (ii) expiration of 60 days from the date the Optionee's service with inTEST (or any of its Affiliates) terminates for any reason, other than for Cause, in which case this Option shall expire immediately; or
  - (iii) in the event of a Change of Control, the Expiration Date of any Option which has vested may be accelerated to a date not earlier than thirty (30) days after notice of such acceleration is given to the Optionee, and any Option which has not vested may be terminated.
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**8. Acceleration of Option**

This Option shall immediately vest and be exercisable in the event (i) the Optionee dies, (ii) the Optionee incurs a Disability, or (iii) a Change of Control occurs and (A) the Unrelated Person involved in such Change of Control does not assume or substitute the Option; (B) the Optionee's service with the Company is terminated by the Unrelated Person within two years following the Change of Control other than for Cause; or (C) the Optionee resigns for Good Reason. For purposes of this Option Agreement, the term "Disability" shall mean a condition of total mental or physical incapacity for further performance of a person's duty with the Company that the Committee determines, on the basis of competent medical evidence, is likely to be permanent and constitutes a "disability" within the meaning of section 22(e)(3) of the Internal Revenue Code.

**9. Amendment of Option**

inTEST has the right to amend this Option, subject to the Optionee's consent if such amendment is not favorable to the Optionee, except that the consent of the Optionee shall not be required for any amendment made pursuant to the Plan.

**10. Amendment of the Plan**

Subject to certain restrictions contained in the Plan, the Board of Directors of inTEST may amend the Plan from time to time in such manner as it may deem advisable.

**11. Continued Service**

The grant of this Option shall not be construed to imply or constitute evidence of any agreement, express or implied, on the part of inTEST to continue the service of the Optionee with inTEST or any of its Affiliates.

**12. Withholding of Taxes**

If required by inTEST, the Optionee shall, as a condition to the exercise of the Option and the issuance of Option Shares or the transfer of the Option Shares, remit to inTEST the amount of any federal, state or local taxes, including FICA taxes and other employment taxes, required to be withheld or paid under applicable law. To the extent that such taxes are not collected upon the exercise of the Option, inTEST may withhold a portion of the Option Shares or take whatever other action it deems necessary to collect all required taxes due upon the exercise of the Option or transfer of the Option Shares.

**13. Entire Agreement**

This Option Agreement, together with the Plan, represents the entire agreement between the parties.

**14. Governing Law**

This Option Agreement shall be construed in accordance with the laws of the State of Delaware.

**[Signature Page Follows]**

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IN WITNESS WHEREOF, inTEST executes this Option Agreement as of the day and year set forth above.

**inTEST Corporation**

By: \_\_\_\_\_  
Hugh T. Regan, Jr.  
Secretary, Treasurer and Chief Financial Officer

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**ACKNOWLEDGMENT**

The Optionee acknowledges receipt of a copy of the Plan and a copy of the Prospectus covering the Option Shares to be issued pursuant to the Plan, copies of which are attached hereto, and Optionee represents that he or she has read and is familiar with the terms, conditions and provisions thereof and hereby accepts the Option granted \_\_\_\_\_ subject to all the terms, conditions and provisions thereof. The Optionee hereby agrees to accept as binding, conclusive and final, all decisions or interpretations of the Board of Directors or the Committee upon any questions arising under the Plan.

Date: \_\_\_\_\_

\_\_\_\_\_  
Name:

Address:

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**NOTICE OF EXERCISE OF STOCK OPTION**

To: inTEST Corporation  
804 East Gate Drive, Suite 200  
Mt. Laurel, NJ 08054  
Attn: Chief Financial Officer

\_\_\_\_\_, 20\_\_

In accordance with Section 3 of the Non-Qualified Stock Option Agreement dated as of \_\_\_\_\_ (the "Option"), I hereby irrevocably elect to exercise the Option to purchase \_\_\_\_\_ Option Shares of the Common Stock of inTEST Corporation (the "Corporation") at the exercise price of \_\_\_\_\_ (\$\_\_\_\_) per Option Share and deliver herewith a bank check payable to the order of the Corporation for the aggregate exercise price of \$\_\_\_\_\_.

Signature\*: \_\_\_\_\_  
Name\*: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

\* The signature and name should correspond exactly with the name on the first page of the Option.